



Amending Preemptive Ban Sample Wording:

Amends Iowa Code Section 331.301, subsection 6 c. (1) and Iowa Code Section 364.3, subsection 3 c. (1) to remove the restrictions on counties and cities regarding the establishment of certain regulations relating to the sale or marketing of consumer merchandise, providing for properly related matters.

AN ACT concerning local governance (?).

Be it enacted by the People of the State of Iowa, represented in the General Assembly:

Section 1.

Iowa Code Section 331.301, subsection 6 c. (1), is amended to read as follows:

A county may ~~shall not~~ adopt an ordinance, motion, resolution, or amendment that sets standards or requirements regarding the sale or marketing of consumer merchandise that are different from, or in addition to, any state law. For purposes of this paragraph:

Section 5.

Iowa Code Section 364.3, subsection 3 c. (1), is amended to read as follows:

A city may ~~shall not~~ adopt an ordinance, motion, resolution, or amendment that sets standards or requirements regarding the sale or marketing of consumer merchandise that are different from, or in addition to, any state law. For purposes of this paragraph:



Checkout Bag Tax Act Sample Wording:

(The State of Illinois language is accessible at

<http://ilga.gov/legislation/fulltext.asp?DocName=&SessionId=108&GA=101&DocTypeId=SB&DocNum=1240&GAID=15&LegID=117746&SpecSess=&Session=>)

Creates the Checkout Bag Tax Act. Imposes a tax of \$0.05 on each checkout bag used by a customer at a retail establishment in the State. Provides that the term "checkout bag" means a single-use plastic, paper, or compostable bag provided by a retail establishment at the checkout, cash register, point of sale, or other point of departure to a customer for the purpose of transporting goods out of the retail establishment. Sets forth certain exceptions. Provides that the proceeds from the tax shall be appropriated for educational purposes and environmental conservation purposes.

AN ACT concerning revenue.

Be it enacted by the People of the State of Iowa, represented in the General Assembly:

Section 1. Short title.

This Act may be cited as the Checkout Bag Tax Act.

Section 5. Definitions.

As used in this Act:

"Agency" means the Iowa Environmental Protection Agency.

"Auxiliary container" means, but is not limited to, a bag, cup, bottle, lid, or other packaging that is:

- (1) designed to be reusable or for single-use;
- (2) made of cloth, paper, plastic, cardboard, corrugated material, aluminum, glass, extruded polystyrene, post-consumer recycled material, or similar material or substrates, including coated, laminated, or multi-layer substrates;
- (3) designed for transporting, containing, or protecting merchandise, food, or beverages from a retail establishment or restaurant;

- (4) used to package bulk items such as fruit, vegetables, nuts, grains, or candy;
- (5) used for greeting cards or small hardware items such as nails and bolts;
- (6) used to contain or wrap frozen foods, meat, or fish whether prepackaged or not;
- (7) used to contain or wrap flowers or potted plants or other items where dampness may be a problem;
- (8) used to contain unwrapped prepared foods or bakery goods;
- (9) used to contain prescription drugs;
- (10) used to safeguard public health and safety during the transportation of prepared take-out foods and prepared liquids intended for consumption away from a retail establishment or restaurant; or
- (11) a newspaper bag, door-hanger bag, laundry cleaning bag, garment bag, or a bag of any type that customers bring to a retail establishment for their own use or to carry away from the retail establishment goods that are not placed in a bag provided by the retail establishment.

"Checkout bag" means a single-use plastic, paper, or compostable bag that is provided by a retail establishment at the checkout, cash register, point of sale, or other point of departure to a customer for the purpose of transporting goods out of the retail establishment. The term "checkout bag" does not include auxiliary containers.

"Department" means the Department of Revenue.

"Restaurant" means any business having sales of ready-to-eat food for immediate consumption comprising at least 51% of total sales excluding the sale of liquor.

"Retail establishment" means any person, corporation, partnership, business venture, public sports or entertainment facility, government agency, or organization that sells or provides merchandise, goods, or materials, including, but not limited to, clothing, food, beverages, household goods, or personal items of any kind directly to a customer.

"Retail establishment" includes, but is not limited to, department stores, clothing stores, jewelry stores, grocery stores, pharmacies, home improvement stores, liquor stores, convenience stores, gas stations, restaurants, mobile food delivery, and farmers markets. The term "retail establishment" does not include food banks or other food assistance programs.

"Wholesaler" means any person who engages in the business of selling or supplying checkout bags to any retail establishment for use in the State and includes any such person who makes or

fabricates checkout bags or packs and sells checkout bags in packages.

Section 10. Payment of checkout bag tax required.

A checkout bag tax of \$0.05 is imposed on each checkout bag used by a customer at retail establishments located in the State. The fee shall be paid by the customer. The ultimate incidence and liability for payment of the tax are to be borne by the customer. The tax shall be separately stated on the receipt provided to the customer at the time of sale and shall be identified as the Checkout Bag Tax. It is a violation of this Section for the retail establishment to fail to separately itemize the tax on a customer's purchase of such a bag or to otherwise absorb the tax on such sale. The tax shall be collected by retail establishments in the State who are providing the checkout bag for the customer. The retail establishment shall remit to the Department the net amount of \$0.05 per checkout bag sold or used. If a wholesaler sells checkout bags to a purchaser other than a retail establishment for use or consumption by such person in the State, then the wholesaler shall collect the tax from such a purchaser and remit it to the Department in the same manner as applies to its sales to retail establishments.

The Department shall remit \$0.02 per bag to the Department of Natural Resources and \$0.03 per bag to the Department of Education.

The Department shall publish an annual report detailing the amount of taxes remitted to each of the three aforementioned departments. The report may be published electronically.

Section 15. Use of tax proceeds by Iowa.

The Department of Natural Resources of the State of Iowa shall use the remitted revenue from the checkout bag tax for any of the following purposes:

- (1) For education programs to reduce contamination and increase participation in recycling and composting programs;
- (2) For programs to increase the collection and recycling or composting of auxiliary containers; or
- (3) For programs or grants to encourage infrastructure development for and market development for recycling and composting.

The Department of Education of the State of Iowa shall use the remitted revenue from the checkout bag tax for any of the following purposes:

- (1) For environmental education programs;

- (2) For improved sustainability practices;
- (3) For mental health educational programs;
- (4) To provide supplemental aid to school districts; or
- (5) To provide funds to school districts and educators for educational supplies, materials, and programs deemed to be of substantial importance for classroom instruction by the Department of Education.

Section 20. Exemption.

The tax imposed under this Act does not apply to the retail sale or use of checkout bags that are used to carry items purchased pursuant to the Supplemental Nutrition Assistance Program or a similar governmental food assistance program.